

**MEETING OF THE GENERAL
GOVERNMENT RETIREMENT BOARD**

March 10, 2022

A Regular meeting of the General Government Retirement Board was held on **March 10, 2022 at 5:00 p.m.** in the City Council Chambers at City Hall, Bristol, CT. Members present: Chairman Tom Barnes Jr. (via Zoom), Vice Chairman David Preleski, Mayor Jeffrey Caggiano, Council Member Jacqueline Olsen, Comptroller Diane M. Waldron, Commissioner's David Butkus, Peter Dauphinais, Thomas DeNoto (via Zoom), David Maikowski, and Frank Rossi (via Zoom). Absent: Commissioner's Paul Keegan, and William Veits.

Also present: John Oliver Beirne and John Beirne from Beirne Wealth Consulting
Orlando Mendoza and Jason Rottenberg from Arsenal

1. Call to Order.

Pledge of Allegiance

The meeting was called to order at 5:03 p.m. by Mayor Caggiano.

2. Item 2-Public Participation.

Mark Whitford, 136 Empire Way, addressed the Board and briefly discussed an investment opportunity with Voya. Mr. Whitford also asked questions and provided input on the Arsenal presentation handout.

3. Item 3 - Minutes for the Regular meeting of February 10, 2022 were approved.

A motion was made by Commissioner Butkus and seconded by Comptroller Waldron and it was unanimously voted to:

"Approve the minutes of the Regular General Government Retirement Board meeting of February 10, 2022 and place them on file."

4. Item 4 - Treasurer's report February 2022.

Vice Chairman Preleski briefly reviewed the February 2022 Treasurer's Report.

A motion was made by Commissioner Dauphinais and seconded by Chairman Barnes and it was unanimously voted to:

"Accept the Treasurer's Report for February 2022 and place it on file."

5. Item 5 – Consideration of a request to approve the Vested Retirement from Marriya Connelly, City Clerk, Local 233 effective May 1, 2034.

A motion was made by Commissioner Maikowski and seconded by Commissioner Butkus and it was unanimously voted to:

"Approve the request for Vested Retirement from Marriya Connelly, City Clerk, Local 233 effective May 1, 2034 with an annual pension amount of \$24,197.80 or \$2,016.48 monthly."

6. Item 6- Consideration of a request to approve the Vested Retirement with 100% Contingent Annuitant Option from Jason Gagnon, Public Works Department, Local 233 effective April 1, 2036.

A motion was made by Council Member Olsen and seconded by Commissioner Butkus and it was unanimously voted to:

“Approve the request for Vested Retirement with 100% Contingent Annuitant Option from Jason Gagnon, Public Works Department, Local 233 effective April 1, 2036 with an annual pension amount of \$13,869.27 or \$1,155.77 monthly.”

7. Item 7- Consideration of a request to approve the Normal Retirement from Richard Guerrero, The Bristol Police Union, effective February 16, 2022.

A motion was made by Commissioner Dauphinais and seconded by Commissioner Maikowski and it was unanimously voted to:

“Approve the request for Normal Retirement from Richard Guerrero, The Bristol Police Union, effective February 16, 2022 with an annual pension amount of \$105,985.76 or \$4,065.21 bi weekly.”

8. Item 8- Consideration of a request to approve a Deferred Retirement Option Pension (DROP) from John Ingellis Sr., Fire Department, Local 773 effective July 8, 2023.

A motion was made by Commissioner Butkus and seconded by Council Member Olsen and it was unanimously voted to:

“Approve the request for Deferred Retirement Option Pension (DROP) from John Ingellis Sr., Fire Department, Local 773 effective July 8, 2023 with an annual pension amount of \$62,739.78 or \$2,406.46 bi weekly.”

9. Item 9- Consideration of a request to approve a Deferred Retirement Option Pension (DROP) from Kenneth Miffitt, Fire Department, Local 773 effective July 1, 2022.

A motion was made by Commissioner Butkus and seconded by Commissioner Dauphinais and it was unanimously voted to:

“Approve the request for Deferred Retirement Option Pension (DROP) from Kenneth Miffitt, Fire Department, Local 773 effective July 1, 2022 with an annual pension amount of \$56,893.63 or \$2,182.22 bi weekly.”

10. Item 10– Investment Review – Beirne Wealth Consulting, LLC.

- **General Retirement Fund**

John Oliver Beirne, of Beirne Wealth, provided an overview of the portfolio. He also reviewed the higher valuations and current affairs that are causing volatility in the market. On average, stocks and bonds are down which caused a lot red in this month's portfolio review. Interest rates are on an upward trend and Beirne Wealth is continuing to diversify the portfolio to mitigate risk. John Oliver briefly discussed the Russia/Ukraine conflict and stated that their firm performed an analysis which showed that there is very little to no Russian exposure in the portfolio.

The portfolio is currently priced at \$784,777,019 with approximately 30% of pricing missing and is down 0.84% for the month. Most returns are down but several of the unpriced funds are expected to do well. The Equity portion of the portfolio, which is the largest portion, is down approximately 1.35% for the month. John Beirne Sr. gave a brief explanation on gold prices and how they relate to current events. John Oliver then provided an introduction of Arsenal.

11. Item 11–Presentation by Arsenal.

Orlando Mendoza and Jason Rottenberg, of Arsenal, addressed the Retirement Board. They provided an overview of their firm and the City's current position, as well as opportunities for growth. Arsenal invests in software companies during the company's execution stage. They evaluate the value of existing companies and look for a healthy growth rate and reasonable entry valuations. Arsenal manages the Cart.com and Sayari funds that the Board decided to invest in last year. Both companies are growing quite rapidly.

Arsenal is starting a Fund IV which is a continuation of the strategy used for Fund III. Fund IV will include more portfolios (12-15) and they are planning to start investing in the next few months. This is anticipated to be a ten year project with a goal of making investments in four years. Fees are reduced at the beginning to mitigate the J Curve for investors.

Following the presentation, John Oliver Beirne provided several recommendations to the Board. The Board engaged in a discussion regarding percentage caps for a single management firm. John Oliver explained that their general policy is to not actively put more than 15% of a portfolio into one manager.

A motion was made by Comptroller Waldron and seconded by Vice Chairman Preleski and it was voted to:

“Approve the recommendation from Beirne Wealth to increase the investment in Boyd Watterson Diversified Government REIT by \$24 million and authorize the Chair or Vice Chair and/or Comptroller to execute the agreement pending review by Corporation Counsel.”

Abstained: Commissioner DeNoto.

A motion was made by Comptroller Waldron and seconded by Vice Chairman Preleski and it was unanimously voted to:

“Approve the recommendation from Beirne Wealth to increase the investment in Arsenal Growth Equity Fund IV by \$35 million and authorize the Chair or Vice Chair and/or Comptroller to execute the agreement pending review by Corporation Counsel.”

Vice Chairman Preleski left the meeting at 6:13 pm.

John Oliver also recommended that the Board vote yes to allow Zephyr to extend their fund for one year.

A motion was made by Comptroller Waldron and seconded by Commissioner Butkus and it was unanimously voted to:

“Extend the life of the Zephyr III fund beyond the March liquidation period for a single year.”

Chairman Barnes left the meeting at 6:15pm.

12. Item 12- Discussion regarding an RFP for Custodial Services and to take any action as necessary.

Comptroller Waldron stated that this item will stay on the agenda as an open discussion. Beirne Wealth was asked to provide some data regarding custodial services. John Oliver stated that Beirne Wealth is actively working on putting a matrix together for the Board to review.

13. Item 13- Accept the Actuarial Valuation by Milliman and place on file.

A motion was made by Comptroller Waldron and seconded by Commissioner Butkus and it was unanimously voted to:

“Accept the Actuarial Valuation by Milliman dated July 1, 2021 as presented and place on file.”

14. Item 14- Any other business proper to come before meeting.

Commissioner Maikowski made a recommendation that approving the monthly retirements in a consent agenda format may save time during the meetings. There was discussion regarding whether or not retirement forms and calculations should be added to the online agenda packets. Commissioner Maikowski also asked if the Board performs regular reviews on long standing managers. John Oliver Beirne stated that Beirne Wealth does perform reviews and could submit them to the Board upon request in the future.

15. Item 15- Adjournment

At 6:21 p.m. a motion was made by Commissioner Butkus and seconded by Comptroller Waldron and it was unanimously voted to: “Adjourn.”

Respectively submitted,

Diane M. Waldron

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Comptroller and Secretary, Retirement Board